Proposed Rules

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This section of the FEDERAL REGISTER contains notices to the public of the proposed issuance of rules and regulations. The purpose of these notices is to give interested persons an opportunity to participate in the rule making prior to the adoption of the final rules.

DEPARTMENT OF AGRICULTURE

Animal and Plant Health Inspection Service

7 CFR Part 319

[Docket No. 93–119–1]

Importation of Citrus Fruits from Australia

AGENCY: Animal and Plant Health Inspection Service, USDA.

ACTION: Proposed rule.

SUMMARY: We are proposing to amend the Fruits and Vegetables regulations to allow oranges, lemons, limes, mandarins, and grapefruit from the Riverina and Sunraysia districts of Australia to be imported into the United States. We are taking this action because it appears that the citrus may be imported without presenting a significant risk of introducing injurious insects into the United States. Adoption of this proposed rule would provide importers and consumers in the United States with an additional source of citrus fruit.

DATES: Consideration will be given only to comments received on or before October 11, 1995.

ADDRESSES: Please send an original and three copies of your comments to Docket No. 93–119–1, Regulatory Analysis and Development, PPD, APHIS, suite 3C03, 4700 River Road Unit 118, Riverdale, MD 20737–1238. Please state that your comments refer to Docket No. 93–119–1. Comments received may be inspected at USDA, room 1141, South Building, 14th Street and Independence Avenue SW., Washington, DC, between 8 a.m. and 4:30 p.m., Monday through Friday, except holidays. Persons wishing to inspect comments are requested to call ahead on (202) 690–2817 to facilitate entry into the comment reading room.

FOR FURTHER INFORMATION CONTACT: Mr. Frank E. Cooper or Mr. Peter M. Grosser, Senior Operations Officers, Port Operations, PPQ, APHIS, 4700 River Road Unit 139, Riverdale, MD 20737–1236, (301) 734–8891.

SUPPLEMENTARY INFORMATION:

Background

The Fruits and Vegetables regulations in 7 CFR 319.56 through 319.56–8 (referred to below as ''the regulations'') prohibit or restrict the importation of fruits and vegetables to prevent the introduction and dissemination of injurious insects, including fruit flies, that are new to or not widely distributed in the United States. Paragraphs (e) and (f) of § 319.56–2 contain requirements for the importation of certain fruits and vegetables based on their origin in a definite area or district. The definite area or district must meet certain criteria, including criteria designed to ensure that the area or district is free from all or certain injurious insects.

The regulations also provide, among other things, that all importations of fruits and vegetables, as a condition of entry, shall be subject to inspection or treatment, or both, at the port of first arrival, as may be required by a U.S. Department of Agriculture (USDA) inspector (see § 319.56–6). Section 319.56–6 also provides that shipments of fruits and vegetables may be refused entry if the shipment is infested with fruit flies or other dangerous pests and an inspector determines that the pests cannot be eliminated by disinfection or treatment.

Section 319.56–2v contains provisions for importing citrus fruit from Australia. Currently, § 319.56–2v provides for imports of citrus from only specified subdivisions of the Riverland district. Citrus fruit may be imported from the Riverland district without treatment for fruit flies if the area remains free of fruit flies. Importation of citrus fruit from the Riverland district could continue in the event of a fruit fly infestation if the fruit undergoes cold treatment and meets all other applicable requirements of the regulations. Entry of citrus into the United States from the Riverland district of Australia would be denied if a fruit fly destructive of citrus should be detected in the Riverland district, and there is no authorized cold treatment for this fruit fly.

The Australian Quarantine and Inspection Service (AQIS) has requested that we consider allowing the entry of oranges (*Citrus sinensis* [Osbeck]); lemons (*C. limonia* [Osbeck] and *meyeri* [Tanaka]); limes (*C. aurantiifolia* [Swingle] and *latiifolia* [Tanaka]; mandarins, including satsumas, tangerines, tangors, and other fruits grown from this species or its hybrids (*C. reticulata* [Blanco]); and grapefruit (*C. paradisi* [MacFad.]) from the Riverina and Sunraysia districts of Australia, as well. The Riverina district of New South Wales is comprised of (1) the shire of Carrathool; and (2) the Murrumbidgee Irrigation Area, which is within the administrative boundaries of the city of Griffith and the shires of Leeton, Narrendera, and Murrumbidgee. The Sunraysia district is comprised of the shires of Wentworth and Balranald in New South Wales and the shires of Mildura, Swan Hill, Wakool, and Kerang, the cities of Mildura and Swan Hill, and the borough of Kerang in Victoria.

Both the Mediterranean fruit fly (*Ceratitis capitata* [Wiedemann]) and the Queensland fruit fly (*Dacus tryoni* [Frogg]), insects injurious to citrus, are known to attack citrus in Australia. The Mediterranean fruit fly is not widely distributed in the United States, and the Queensland fruit fly does not occur in the United States. If introduced into the United States, these pests would represent a serious threat to domestic fruit crops. AQIS has conducted extensive trapping surveys [1] that show the Riverina and Sunraysia districts to be free of all types of fruit flies that attack citrus. Specifically, we have determined that:

(1) Within the past 12 months, AQIS has conducted trapping surveys that show the Riverina and Sunraysia districts to be free from all fruit flies that attack citrus;

(2) AQIS has adopted and is enforcing requirements to prevent the introduction of fruit flies destructive of citrus into the Riverina and Sunraysia districts; and

(3) AQIS has submitted to the Administrator of the Animal and Plant Health Inspection Service (APHIS) detailed procedures for the conduct of pest surveys in the Riverina and Sunraysia districts, and for the enforcement of requirements to exclude fruit flies from these districts.

The Administrator of APHIS has determined that the survey methods

[1] Information regarding how the surveys were conducted can be obtained from the individuals listed under **FOR FURTHER INFORMATION CONTACT**.

employed by AQIS are adequate to detect infestations of the Mediterranean fruit fly, the Queensland fruit fly, and other fruit flies destructive of citrus. The Administrator has also determined that the requirements adopted and enforced by AQIS to prevent the introduction of injurious insects into the Riverina and Sunraysia districts of Australia are at least equivalent to those requirements imposed in the United States to prevent the introduction and interstate spread of injurious insects. Therefore, we are proposing to amend § 319.56–2v to allow the importation of oranges, lemons, limes, mandarins, and grapefruit from the Riverina and Sunraysia districts of Australia without treatment for fruit flies, provided that these districts remain free of fruit flies that attack citrus.

If fruit flies were detected in a district, we would continue to allow oranges, lemons, limes, mandarins, and grapefruit to be imported from that district, subject to the completion of an APHIS-authorized cold treatment for that fruit fly, and to all other applicable requirements of the regulations. This provision would allow importers and exporters to respond to suddenly changed circumstances, such as a Mediterranean fruit fly or Queensland fruit fly infestation, without unnecessarily interrupting fruit shipments or creating a significant risk of introducing fruit flies into the United States.

However, if no APHIS-approved treatment is available for the detected fruit fly, the importation of citrus fruit from the district in which the fruit fly was detected would be prohibited. These are the same provisions currently in the regulations for citrus imported into the United States from the Riverland district of Australia.

In the event that citrus from the Riverina or Sunraysia district of Australia requires treatment for fruit flies, entry of the citrus into the United States would be limited to the port of Wilmington, NC, and North Atlantic ports north of and including Baltimore, MD, if treatment for fruit flies is to be completed in the United States. The climatic conditions in the northeastern United States would ensure that any injurious pests accompanying a shipment of citrus prior to treatment would not pose a risk in that area. Special precautions at the port of Wilmington, NC, mitigate risk there (see § 319.56–2d(b)(5)(iv)). Entry would be allowed through any port if treatment has been completed prior to arrival in the United States.

Lastly, we propose to amend § 319.56–2v by removing a reference to cold treatment authorized under § 319.56–2d and replacing it with a reference to cold treatment in accordance with the Plant Protection and Quarantine (PPQ) Treatment Manual, which has been incorporated by reference into the Code of Federal Regulations at 7 CFR 300.1. Cold treatment schedules no longer appear in § 319.56–2d, but are in the PPQ Treatment Manual, and § 319.56–2d currently refers readers to the PPQ Treatment Manual for the details of cold treatment.

Executive Order 12866 and Regulatory Flexibility Act

This proposed rule has been reviewed under Executive Order 12866. The rule has been determined to be not significant for the purposes of Executive Order 12866 and, therefore, has not been reviewed by the Office of Management and Budget.

We are proposing to amend the Fruits and Vegetables regulations by allowing the importation of oranges, lemons, limes, mandarins, and grapefruit from the Riverina and Sunraysia districts of Australia.

According to a USDA estimate, the total U.S. production of citrus fruits was approximately 11.172 million metric tons in 1992. Approximately 1.1 million metric tons of citrus fruits were exported from the United States in 1992, with about 9,741 metric tons exported to Australia.

According to an estimate offered by the Australian Office of the Counsellor, Australia produced approximately 592,000 metric tons of citrus fruits in 1992. Citrus production in Australia is oriented primarily to domestic consumption, with exports accounting for approximately 79,000 metric tons, or only about 13 percent of the total production, in 1992. Of the total quantity exported, 2,517 metric tons (about 3 percent) went to the United States.

The U.S. entities who would be most affected by this proposed rule would include citrus fruit producers, exporters, and importers. It is estimated that 93 percent of the U.S. farms that produce citrus fruit, approximately 21,225 farms in all, qualify as small businesses. While this proposed rule would provide an additional supply of citrus fruit in the United States, domestic citrus fruit producers, including small entities, could expect a very insignificant decline in the price of citrus fruits. Due to the seasonal difference in availability, U.S. and Australian producers would not be in direct competition for the domestic citrus market. Both exporters and importers would be expected to benefit from the proposed rule. The projected benefit to exporters may accrue from the expanded export opportunities that could result from a favorable reciprocal trade treatment given by Australia. Importers may also benefit from the increased availability of citrus fruit, especially navel oranges, during the time of year when U.S. production is lowest. However, the economic benefits to importers and exporters are not expected to be significant.

Under these circumstances, the Administrator of the Animal and Plant Health Inspection Service has determined that this action would not have a significant economic impact on a substantial number of small entities.

Executive Order 12778

This proposed rule would allow oranges, lemons, limes, mandarins, and grapefruit to be imported into the United States from the Riverina and Sunraysia districts of Australia. If this proposed rule is adopted, State and local laws and regulations regarding citrus fruit imported under this rule would be preempted while the fruit is in foreign commerce. Fresh citrus fruits are generally imported for immediate distribution and sale to the consuming public, and would remain in foreign commerce until sold to the ultimate consumer. The question of when foreign commerce ceases in other cases must be addressed on a case-by-case basis. If this proposed rule is adopted, no retroactive effect will be given to this rule, and this rule will not require administrative proceedings before parties may file suit in court challenging this rule.

Paperwork Reduction Act

This proposed rule contains no information collection or recordkeeping requirements under the Paperwork Reduction Act of 1980 (44 U.S.C. 3501 *et seq.*).

List of Subjects in 7 CFR Part 319

Bees, Coffee, Cotton, Fruits, Honey, Imports, Incorporation by reference, Nursery Stock, Plant diseases and pests, Quarantine, Reporting and recordkeeping requirements, Rice, Vegetables.

Accordingly, 7 CFR part 319 would be amended to read as follows:

PART 319—FOREIGN QUARANTINE NOTICES

1. The authority citation for part 319 would continue to read as follows:

Authority: 7 U.S.C. 150dd, 150ee, 150ff, 151–167, 450, 2803, and 2809; 21 U.S.C. 136 and 136a; 7 CFR 2.17, 2.51, and 371.2(c).

2. Section 319.56–2v would be revised to read as follows:

§ 319.56–2v Conditions governing the entry of citrus from Australia.

(a) The Administrator has determined that the irrigated horticultural areas within the following districts of Australia meet the criteria of § 319.56–2 (e) and (f) with regard to the Mediterranean fruit fly (*Ceratitis capitata* [Wiedemann]), the Queensland fruit fly (*Dacus tryoni* [Frogg]), and other fruit flies destructive of citrus:

(1) The Riverland district of South Australia, defined as the county of Hamley and the geographical subdivisions, called ''hundreds,'' of Bookpurnong, Cadell, Gordon, Holder, Katarapko, Loveday, Markaranka, Morook, Murtho, Parcoola, Paringa, Pooginook, Pyap, Stuart, and Waikerie;

(2) The Riverina district of New South Wales, defined as:

(i) The shire of Carrathool; and

(ii) The Murrumbidgee Irrigation Area, which is within the administrative boundaries of the city of Griffith and the shires of Leeton, Narrendera, and Murrumbidgee; and

(3) The Sunraysia district, defined as the shires of Wentworth and Balranald in New South Wales and the shires of Mildura, Swan Hill, Wakool, and Kerang, the cities of Mildura and Swan Hill, and the borough of Kerang in Victoria.

(b) Oranges (*Citrus sinensis* [Osbeck]); lemons (*C. limonia* [Osbeck] and *meyeri* [Tanaka]); limes (*C. aurantiifolia* [Swingle] and *latiifolia* [Tanaka]); mandarins, including satsumas, tangerines, tangors, and other fruits grown from this species or its hybrids (*C. reticulata* [Blanco]); and grapefruit (*C. paradisi* [MacFad.]) may be imported from the Riverland, Riverina, and Sunraysia districts without treatment for fruit flies, subject to paragraph (c) of this section and all other applicable requirements of this subpart.

(c) If surveys conducted in accordance with § 319.56–2d(f) detect, in a district listed in paragraph (a) of this section, the Mediterranean fruit fly (*Ceratitis capitata* [Wiedemann]), the Queensland fruit fly (*Dacus tryoni* [Frogg]), or other fruit flies, citrus fruit from that district will remain eligible for importation into the United States in accordance with § 319.56–2(e)(2), provided the fruit undergoes cold treatment in accordance with the Plant Protection and Quarantine (PPQ) Treatment Manual, which is incorporated by reference at § 300.1 of this chapter, and provided the fruit meets all other applicable requirements of this subpart. Entry is limited to ports listed in § 319.56–2d(b)(1) of this subpart if the treatment is to be completed in the United States. Entry may be through any port if the treatment has been completed in Australia or in transit to the United States. If no approved treatment for the detected fruit fly appears in the PPQ Treatment Manual, importation of citrus from the affected district or districts is prohibited.

Done in Washington, DC, this 1st day of September 1995.

Terry L. Medley,

Acting Administrator, Animal and Plant Health Inspection Service.

[FR Doc. 95–22406 Filed 9–8–95; 8:45 am]

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FARM CREDIT ADMINISTRATION

12 CFR Parts 613, 614, 618, 619, and 626

RIN 3052–AB10

Eligibility and Scope of Financing; Loan Policies and Operations; General Provisions; Definitions; Nondiscrimination in Lending

AGENCY: Farm Credit Administration.

ACTION: Proposed rule.

SUMMARY: The Farm Credit Administration (FCA) through the Farm Credit Administration Board (Board) proposes to amend the current regulations that govern eligibility and purposes for financing from Farm Credit System (Farm Credit, FCS, or System) banks and associations. This proposal would incorporate recent statutory amendments that govern eligibility and loan purposes from Farm Credit banks that operate under title III of the Farm Credit Act of 1971, as amended (Act). The proposed rule would also implement recently enacted sections 3.1(11)(B) and 4.18A of the Act, which grant Farm Credit banks and associations authorities to participate with non-System lenders in loans to similar entities. At the same time, the FCA proposes to eliminate restrictions in the current regulations that are not required by the Act. The FCA proposes to substantially reorganize these regulations in order to enhance their clarity. The FCA also proposes several technical amendments to other regulations so they conform with this proposal. The proposed rule would relocate the nondiscrimination in lending regulations to a new part without change.

DATES: Comments should be received on or before December 11, 1995.

ADDRESSES: Comments may be mailed or delivered to Patricia W. DiMuzio, Associate Director, Regulation Development, Office of Examination, Farm Credit Administration, 1501 Farm Credit Drive, McLean, Virginia 22102–5090. Copies of all communications received will be available for review by interested parties in the Office of Examination, Farm Credit Administration.

FOR FURTHER INFORMATION CONTACT:

John J. Hays, Policy Analyst, Policy Development and Planning Division, Office of Examination, Farm Credit Administration, McLean, VA 22102–5090, (703) 883–4498, TDD (703) 883–4444,

or

Richard A. Katz, Senior Attorney, Regulatory Operations Division, Office of General Counsel, Farm Credit Administration, McLean, VA 22102–5090, (703) 883–4020, TDD (703) 883–4444.

SUPPLEMENTARY INFORMATION:

I. General

The FCA proposes to amend its regulations in part 613 to eliminate unnecessary regulatory restrictions and implement statutory changes. Several recent amendments to sections 3.7 and 3.8 of the Act expand eligibility and purposes of financing for borrowers from BCs and ACBs. Two new statutory provisions were enacted in 1992 and 1994, which authorize Farm Credit banks and associations to participate with non-System lenders in loans to borrowers who are functionally similar but otherwise ineligible for direct FCS financing when the loans are for purposes that are within the System's scope of financing (sections 3.1(11)(B) and 4.18A of the Act).

The FCA's approach in crafting new eligibility regulations is guided by the Board's Policy Statement on Regulatory Philosophy (Policy Statement).[1] Pursuant to this Policy Statement, the FCA is committed to adopting regulations only as necessary to: (1) Implement or interpret the law; or (2) promote the safe and sound operations of System institutions. Consistent with the Policy Statement, the FCA proposes to remove regulatory provisions that prescribe operational procedures, to simplify and clarify the regulations wherever possible, and to delete existing regulatory restrictions that are not imposed by law or necessary to interpret the law or promote safety and soundness. The FCA's proposal should permit FCS institutions to more

[1] *See* 60 FR 26034 (May 16, 1995).